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Foreign CROPS AND MARKETS

VOLUME 68

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FOR RELEASE

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JUNE 14, 1954

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WASHINGTON 25, D. C.

LATE NEWS

Indonesia's copra exports during April are reported preliminarily at 20,346 long tons. Export figures for March have now been revised to 22,843 tons. This represents an increase of about one-third from the previous month and 19 percent above the volume shipped in March 1953. The breakdown of the March 1954 copra exports by country of destination is as follows: the Netherlands--6,200 tons; Western Germany--3,148; Sweden--2,098; Penang (Malaya)--2,214; Singapore--5,055; Japan 3,838; and Hong Kong--290 tons.

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Heavy rain in the month of May and increasing insect damage are reported to have destroyed 10 to 15 percent of the South Brazil 1953-54 cotton crop, now being harvested. This crop was previously estimated at 1,010,000 bales (500 pounds gross). There has been no change in the estimate of 340,000 bales for the 1953-54 cotton crop in North Brazil.

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Transshipments of Mexican cotton through United States ports in February 1954 amounted to 58,000 bales (500 pounds gross) making a total of 520,000 bales for August 1953-February 1954. The principal destinations included in the latter total were: Japan 220,000 bales; Belgium 67,000; Western Germany 52,000; United Kingdom 48,000; the Netherlands 40,000; Spain 33,000; Switzerland 15,000; Sweden 10,000; and Italy 7,000.

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(Continued on Page 571)

FOREIGN CROPS AND MARKETS

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INDIA EXPECTS BUMPER FLUE-CURED HARVEST

India's 1953-54 crop of flue-cured tobacco is placed unofficially at about 100 million pounds, according to a report from the American Embassy at New Delhi. This compares with 81 million for 1952-53, and 90 million for 1951-52. The increase is expected as the result of excellent monsoon rains. Over the next 2 or 3 years little change is expected in the production of flue-cured tobacco in India. Year to year flucuations will largely be the result of weather variations.

It is probable that both foreign and domestic demand for better grades of the current crop will be strong. Prices of the poorer grades are expected to be the lowest in many years due to the accumulated leaf stocks. Therefore, the Indian Government and trade groups will probably make every effort to sell the surplus low grades in foreign markets.

India's purchases of flue-cured leaf are expected to reach the 4 to 5 millions pounds that are needed for blending in the domestic straight Virginia cigarettes. Due to a tendency to increase the percentage of Indian leaf in these cigarettes this figure may trend downward in years to come.

FINLAND CONSUMES MORE AMERICAN-BLENDED CIGARETTES

Domestically-produced American-blended type cigarettes (50-85 percent American leaf) are taking an increased share of the Finnish market according to a report from the American Legation at Helsinki. During 1953, total cigarette consumption declined 3 percent due to the high rate of unemployment and consequent loss of consumer purchasing power. Despite this drop in the total, consumption of American-blended type cigarettes increased from 0.6 billion pieces in 1952 to 0.8 billion pieces in 1953. Imports of American leaf in 1953 increased by 80 thousand pounds. The share of United States leaf used in Finnish tobacco factories has increased from 19.8 percent before the war to 28.4 percent in 1951 and to 32.4 percent in 1953.

The greatest obstacle to increased use of United States tobacco is the shortage of dollars. During 1953, 3.3 million pounds were purchased but only 1.5 million were obtained direct. The remainder was secured from third countries where non-dollar currency could be used. The bulk of reshipped tobacco was obtained from Lebanon, the United Kingdom, and Denmark. Israel also resold some United States leaf. This purchase problem has made it very difficult to maintain adequate supplies of American leaf on hand. Present stocks of American leaf are very low and manufacturers would like to build up at least a 12-month supply, especially of flue-cured. Finland recently received an allocation of $3 million under Section 550 of the Mutual Security Act of 1953 to use for the purchase of United States tobacco.

CANADIAN FLUE-CURED TOBACCO ACREAGE UP SHARPLY IN 1954

It has been reported that the Ontario Flue-Cured Marketing Association will allow members to plant their full base acreage in 1954. This would allow planting of 122,000 acres with a possible production of 160-170 million pounds. In 1953, 127.4 million pounds were harvested from 90,800 acres.

In addition Quebec and British Columbia are expected to plant a total of about 5,000 acres of flue-cured tobacco. With this production, plus 1953 year-end stocks of 134.8 million pounds, Canada will be in a position to supply more of the world's flue-cured requirements than in past years.

Total first quarter 1954 exports of flue-cured reached 16.3 million pounds compared with 10.3 million in 1953. Shipments to the United Kingdom nearly doubled from 7.8 in the first quarter of 1953 to 14.8 million pounds in the first quarter of 1954.

IRISH LIVESTOCK AND MEAT TO MOVE FREELY TO U.K. AFTER DECONTROL

Irish cattle and sheep and their meat can be sold in the United Kingdom in unlimited quantities at competitive prices after the decontrol of the British meat trade next month and prices for export sales by Irish producers will be supported at minimum levels in United Kingdom markets, according to Louis M. Smith, Agricultural Attache, American Embassy, Dublin.

Conferences between the Governments of Ireland and the United Kingdom covering arrangements for the private sale of Irish cattle and sheep and their meat in the United Kingdom recently have been concluded and an agreement on the sale of hogs and pork is expected shortly. The end of bulk buying of meat by the British Government and the restoration of free market conditions involves a major change in the marketing of Irish livestock. Sales of Irish livestock and meat in the British market have been controlled and prices have been set after negotiation by the two Governments. After July 4 trade and prices will be determined by prevailing market conditions; there will be no restrictions on the amounts sent to the United Kingdom and Irish producers will benefit indirectly from the price support afforded under the United Kingdom's Agricultural Act of 1947.

From July 4, 1954 Irish feeder and fat cattle and carcass beef will command British market prices without any restrictions on the amount sold even if these prices are higher than the average British support or "collective guarantee" (14 cents per pound for fat cattle in 1954-55 and 1955-56). Should market prices fall below the price floor then Irish fat cattle and feeder cattle (fattened in Britain for over 2 months) will be eligible for price support up to within .6 cents per pound of the British support level. In the event that prices drop still lower - to the individual guarantee level - Irish cattle would be eligible for the same price support as United Kingdom's producers. Under the Agricultural Act of 1947 British producers are eligible for price support in the form of direct payments in the event that average prices fall below the support levels or sales of individuals fall below certain prescribed minimums.

The new marketing agreements make similar provisions so that Irish producers may sell unrestricted amounts of sheep and mutton in the United Kingdom and may benefit from price support on such sales. The pricing arrangements for both cattle and sheep will be reviewed in a year.

The Irish livestock and meat trade considers that the new arrangements offer considerable improvement over their trading position prior to World War II and look forward to increased sales in the United Kingdom. Prices in the United Kingdom are now materially above the support levels. It is expected that exports of fat cattle, which numbered 31,000 head in 1953, will fall off this year but exports of feeder cattle will increase. Exports of such cattle to the United Kingdom amounted to 397,000 head last year.

DEMAND FOR BUTTER IN U.K. SLOW AFTER DERATIONING

Grocers in the United Kingdom report there has been no rush for butter since derationing. First quotations of butter since decontrol showed Grade 3 butter selling at wholesale in London at 49.1 cents per pound while premium grade butter was bringing 51.6 cents per pound. The last quotation of butter under rationing was 45.5 cents a pound for the so-called "National" butter.

For the first time since the war farm butter has appeared in the British market places. Devonshire farm butter was offered for sale in farmers' markets shortly after decontrol at $1.41 a pound; there was little movement.

The future of butter in the United Kingdom market will depend upon the reaction to present prices by housewives, who recently expressed themselves strongly regarding the price of eggs.

LARGE IRANIAN ALMOND CROP FORECAST

The largest Iranian almond crop in 13 years is indicated in a preliminary forecast by H. C. Lint, Agricultural Attache, American Embassy, Teheran. A bumper crop of 8,300 short tons, shelled basis, is currently expected; and should growing conditions continue favorable, this figure may even need to be revised upward. At 8,300 tons, 1954 production would be over 25 percent higher than the 1953 production of 6,600 tons (revised). The 5-year average (1946-50) is 7,100 tons.

Growing conditions for all crops have been especially good owing to exceptionally heavy rainfall. The cool spring weather continued about one month longer than normal which retarded the blossoming period until the danger of damage from the usual spring frosts had passed.

According to the Embassy, exports for the first 7 months of the current export year starting August 21, 1953 have been only 3,900 short tons shelled basis compared with 4,600 tons for same period a year earlier. The Embassy has therefore reduced its estimate of exports in 1953-54 to 4,950 tons from the 5,500 tons earlier indicated.

FRENCH CHERRY CROP FORECAST LOWER; FRENCH EXPORTS TO U.S. UP IN 1953-54

The early forecast for the 1954 French cherry crop is 88,000 short tons, a 6 percent decrease from the estimated 1953 production of 94,000 tons.

The forecast of production in the Vaucluse department, where most of the cherries used for processing are grown, is 11,000 short tons, a 14 percent decrease from the 12,800 tons unofficially estimated for 1953.

Exports of "drained" cherries to the United States from the 1953 crop were about 800 tons compared with slightly over 400 tons from the preceding crop. Total exports of "drained" and "glace" cherries to all countries were about 7,300 metric tons in 1953-54 and 6,600 tons in 1952-53.

The quality of the 1953 crop was better than in preceding years from the sanitary point of view. After refusal of several shipments of "drained" cherries to the United States in 1952-53 by the Food and Drug Administration because of insect infestation, a spray program was initiated in 1953 to eliminate the larvae of the cherry fly. In the 1953-54 shipping season no shipment was refused entry into the United States. ...Based on information received from H. L. Koeller, Assistant Agricultural Attache, American Embassy, Paris, France.

1954 AUSTRALIAN RAISIN AND CURRANT PRODUCTION FORECAST

A forecast of 1954 raisin and currant production in Australia compared with revised estimates for 1953 are shown in the following table:

	Year	
Class	1953 1/	1954 Est.
	Short tons	
Sultanas	77,900	69,400
Lexias	12,600	14,600
Currants	18,300	15,700
Total	108,800	99,700

1/ Revised

MEXICO RAISES CIGARETTE DUTY

An Official Decree published in the Diario Oficial June 4, effective June 10, raised the import duty on cigarettes to 0.7 pesos per package. Since this is in addition to the former tax of 1.3 pesos, the total tax on cigarettes imported into Mexico is now 2.0 pesos, the equivalent of approximately 16 cents in United States currency. (12.5 pesos $1 U.S.)

EXPORT POSSIBILITIES FOR U. S. MEAT OFFALS IN SWITZERLAND [1]

There is a limited outlet for the export of United States meat offal products to Switzerland and other Western European countries on the basis of a preliminary survey of market conditions in that area recently undertaken by the Foreign Agricultural Service. Export possibilities in Switzerland appear best for frozen ox tongues and frozen cooked tripe. There is no dollar shortage in Switzerland.

Swiss imports of all meats and meat animals reached a very high level in 1950 and 1951 but receded to comparatively low levels in 1953. Domestic production of meat has been on the increase for several years and domestic consumption has also increased. It now appears that meat consumption in 1954 will continue to rise but demand for meat will continue strong as a record tourist season is expected.

Imports of offal products by Switzerland have not declined as much as imports of other meats in recent years. Imports of 4 types of edible offals most likely to be supplied by United States sources totaled 1,583,000 pounds in 1953 compared with 2,066,000 a year earlier and 2,008,000 in 1951.

The Swiss prefer to import frozen tongues and to salt and smoke them in that country. Swiss consumers are very particular about salted and cured meats as they are accustomed to meats processed with a minimum amount of salt. Only ox tongues find a ready market and importers prefer the so-called "Giger Cut" or short tongue. Tongues may be imported as fresh, salted, cured, frozen or canned.

According to Swiss veterinary regulations, only cooked tripe may be imported. Frozen cooked or canned tripe may be shipped from the United States. Liver separated from the carcass may be imported only in canned form. Imports of frozen kidneys are permitted.

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[1] A Foreign Agriculture Circular containing more details on market opportunities for meat offal in Western Europe will be published soon by the U. S. Department of Agriculture, Foreign Agricultural Service, Washington 25, D. C.

DRY BUTTERMILK BEING USED TO IMPROVE FLAVOR OF RECONSTITUTED MILK IN THE PHILIPPINES

George H. Norman, a former U. S. Department of Agriculture employee who is now manager of an Air Force milk and ice cream plant in the Republic of the Philippines, reports that the flavor of the reconstituted milk produced in his plant has been improved greatly by the addition of dry buttermilk.

Mr. Norman states that it is thought that the phospholipids contained in the dry buttermilk powder makes the difference in the taste between reconstituted milk containing dry buttermilk and that made without it. The reconstituted milk containing the dry buttermilk compared to the taste of fresh whole milk and resulted in an increase in sales. When the original shipment of dry buttermilk was exhausted complaints were received about the taste of the milk.

To determine if the dry buttermilk would cause a faster development of acidity, bottles of reconstituted milk with and without buttermilk powder were kept under constant refrigeration with daily checks made for 7 days. At the end of the seventh day, both samples were comparable in the development of acidity.

At no time did the use of the dry buttermilk result in complaints of sour milk from customers who must carry the milk from point of purchase to from 1 to 10 miles in extreme tropical heat.

To produce 300 gallons of 3.2 percent butterfat milk Mr. Norman uses the following formula:

Water	2,250 lbs.
Low heat milk powder	202 lbs.
Buttermilk powder	35 lbs.
Butter oil	80 lbs.
Salt	25 ozs.

This report indicates that the use of dry buttermilk in reconstituted milk greatly improved its palatability.

U. S. SURPLUS DAIRY PRODUCTS TO BE DISTRIBUTED TO PANAMA NEEDY

The Panamanian Government, through the Minister of Labor, Social Welfare and Public Health, has signed an agreement with CARE whereby that relief agency will ship to Panama 115,000 pounds of nonfat dry milk solids and 35,000 pounds of cheese donated by the United States Government from stocks of Government-owned dairy products. The milk powder and cheese will be distributed to needy persons in Panama over a period of 6 months, beginning about June 15.

CEYLON HOPES TO INCREASE MILK PRODUCTION

The recently created Milk Board in Ceylon held its first meeting and was told by the Minister of Food and Agriculture that its primary concern would be to increase the quantity and quality of milk and reduce its price to consumers.

As yet no funds have been appropriated to the Board for its work, but a grant is expected to be made soon. Furthermore, the Minister of Food and Agriculture has proposed that all of the funds derived from the tax penalties levied on nonfood-growing estates be assigned to the Milk Board; the fund is currently valued at between $85,000 to $90,000.

SWITZERLAND REDUCES PRICES FOR BUTTER FOR COOKING

As was recounted in the May 31, 1954 issue of Foreign Crops and Markets, Switzerland is, along with many other countries, having difficulty with a "surplus" dairy product situation. One factor in the problem is that whey butter, the so-called "beurre de fromagerie", cannot stand long storage. In order to reduce stocks, the supply cartel, "Butyra" has again reduced the price of this cooking butter. The fresh butter will be sold in quarter, half and one-kilogram packages (slightly more than one-half, one and two pound cartons) at approximately 74 cents per pound retail. Furthermore, there is no differentiation between the ordinary housewife buyer of small quantities and the large scale purchasers such as restaurants, bakers, confectioners and others.

The cartel also has reduced the price of melted butter, which is being sold in 11 pound pails and 2 pound boxes at a general retail price of 83¢ per pound. "Butyra" hopes that this special price will encourage all consumers to revert to the habit of utilizing natural butter.

This is the second price reduction within two years on the "beurre de fromagerie" butter. Originally, the retail price for the fresh type butter was $1.00 and the melted butter $1.15 a pound. Since the fresh butter costs the "Butyra" about 96 cents a pound upon leaving cold storage, the cartel is taking a considerable loss.

The price reduction is temporary and will be in effect until stocks are reduced.

CURRENT DAIRY SITUATION IN THE UNITED KINGDOM

Below average weather conditions in the United Kingdom during the spring have resulted in a much lower milk production than was expected. Dairy cattle, while maintained in relatively good condition, have had poor grass grazing, both in terms of growth and dryness; there has even been some grazing of hay fields. Some rain and warmer weather in the past few weeks have improved conditions considerably.

Cattle numbers have risen about 4 percent as of the beginning of the year. At the end of December 1952 there were 2.58 million cows and heifers in milk while in December 1953 this number had risen to 2.73 million. Cows in calf but not in milk rose from 1.06 million to 1.09 million in the same period. Heifers in calf with the first calf declined slightly from 605 to 592 thousand.

It is not expected that cow numbers will increase much in the near future; there may even be a decline in numbers as a result of the uncertainties involved in milk marketing at the present time. A decline during June is anticipated as a result of the lowering of the milk price from $4.36 to $4.24 per cwt. during the Annual Price Review in March 1954. In fact one of the stated reasons for the drop in the guaranteed price was to accomplish a reduction in milk cow numbers. The White Paper on the "Annual Determination of Guarantees, 1954" recommended such a reduction in the dairy herd since high-priced outlets for milk are becoming difficult to obtain. The paper suggests that a decline in herd numbers would be offset by an increased yield per cow so that milk "sales off farms would be stabilized at somewhat below the present level." Unless this reduction takes place, the White Paper continues, the amount of milk for manufacturing purposes will become unmanageable.

Spring milk production, although not up to original estimates, has been higher than in 1953, despite the adverse weather conditions, because of larger cow numbers and increased yields due to better herd management. Production during the 4-month period January-April is just over 5 percent above the same period in 1953. At the same time, as measured by sales made through the Milk Marketing Boards, fluid consumption has remained at the same level as 1953 while milk going to manufactures has increased by almost 26 percent; most of the increase has gone into butter and cheese production, although there has been increased manufacture of chocolate crumb and sweetened condensed milk.

A comparison for the July-June 1953-54 period, including April to June estimates by the Milk Marketing Boards, with the same period in 1952-53 shows that total milk marketings for the 1953-54 year approach 20,332 million pounds as compared with 19,207 million pounds in 1952-53. Sales for fluid use for the year will total 15,647 million pounds while such sales during 1952-53 amounted to 15,741 million pounds. Milk going to manufacturing purposes will approximate 4,675 million pounds as compared with only 3,465 million pounds the year previous.

Despite the fact that butter production in the United Kingdom increased 52 percent in 1953 and cheese production rose 60 percent, imports of these items in the first quarter of 1954 were higher than the comparable 1953 period.

Butter imports rose more than 32 percent to 183 million pounds while cheese imports of 106 million pounds were more than 4 percent greater than the first quarter imports in 1953. The demand for continental cheese has declined with accumulation of stocks and greater availability of other food.

Imports of canned milk products have declined. Evaporated milk imports for the first quarter dropped 851 thousand pounds from 5.5 million during the comparable period in 1953. Sweeteneed condensed milk imports declined 60 percent to 3.5 million pounds during the first quarter of 1954. Imports of whole milk dropped to 7.4 million pounds from a 1953 first-quarter total of 13.4 million pounds. However, nonfat dry milk solids imports have risen to 38.2 million pounds during the first quarter of this year compared with 30.4 million pounds last year.

Offers of United States "surplus" butter at about 47 cents per pound have developed some reaction in the United Kingdom, but it is believed that this price is too high, considering that the Danish contract price is 43.1 cents per pound for a higher fat content butter.

Under United Kingdom law only 16 percent moisture content is permitted in butter, compared with the 18 percent which is standard in the United States. However, the butter trade is stated to be interested in buying from the United States although, with the government purchasing under long term contract from contract suppliers, the trade has been purchasing from the Netherlands, South Africa, and Argentina. Imports from contract sources account for almost 86 percent of total butter imports.

DANISH, AUSTRALIAN AND NEW ZEALAND DAIRYMEN TO ADVERTISE BUTTER ON U.K. MARKET

Dairy farmers in Denmark, Australia and New Zealand, working through their national marketing boards, have established a Butter Information Council in the United Kingdom for the purpose of publicizing butter and fostering its consumption.

Funds for the Butter Information Council will be obtained by the national marketing boards imposing a levy of $1.40 per ton on all butter exported from the three countries to the United Kingdom. During 1954, it is expected that this will raise just under $400,000 for advertising purposes, of which about $40,000 will come from Australia, $181,000 from New Zealand and about $162,000 from Denmark. While the advertising will undoubtedly benefit butter producers in the United Kingdom, they are making no contribution to the advertising fund.

The joint advertising effort is being undertaken in view of the recent derationing and dropping of price controls on butter (and other dairy products) and the resumption of private trading in the United Kingdom. Consumption of butter since decontrol has not risen appreciably. Prices for butter are somewhat higher, largely reflecting the higher price charged for stocks of the Ministry of Food which were released to the trade at a price of 51.6 cents per pound for choice grade butter at wholesale; this is compared with the price of 45.5 cents per pound quoted a month earlier by the Ministry for its rationed "National" butter.

The advertising campaign is in the hands of a private advertising firm and is designed to extol the virtues of butter, its taste and its nutritional value. An emblem for the campaign has already been chosen; it shows three handsome cows, each bearing a flag of one of 3 countries contributing to the fund, and the inscription: "You can Trust us - Butter is Best." Advertisements will be placed in newspapers and magazines in the United Kingdom and poster and billboard advertisements will be placed. It is also planned to make lantern slides and movies to be shown in theaters. There has also been some discussion of expanding the promotion to include cheese and other dairy products.

The New Zealand representative on the Council is the London director of the New Zealand Dairy Products Marketing Commission, the marketing commission which levies the impost for advertising purposes on butter exports. The Commission points out that the charge for advertising will be accounted for before returns to producers are computed and therefore the ultimate payment for the program is being made by the dairy farmers. The Australian Dairy Produce Board is the Australian contributor and in Denmark the funds are coming from the butter export pool of the Butter Export Committee of the Danish Dairy Industry. In 1953, exports of butter to the United Kingdom were 28, 133, and 105 thousand metric tons for Australia, New Zealand and Denmark respectively.

The New Zealand Dairy Products Marketing Commission has for some years been advertising its own butter product on the United Kingdom market; during recent years the Commission has expended between $112,000 to $140,000 on such promotion.

The margarine companies have been conducting an aggressive campaign to maintain public acceptance of margarine and have accomplished this objective to some degree through the result of consumer habits developed during the war when butter was in short supply and margarine consumption doubled, the higher price of butter and the intensive margarine advertising campaign. Margarine prices at retail vary according to quality from 21.2 cents to 30.6 cents per pound as compared to retail prices for butter of from 56.4 cents to 63.6 cents per pound.

YUGOSLAVIA FACING SHORTAGE OF EGGS AND POULTRY PRODUCTS

Chicken prices from March to April of this year increased over 30 percent because of inadequate supplies. The supply of eggs was also low in this country where feed supplies are not abundant and the average laying hen averages only 60 eggs per year. Recently poultry raisers expressed themselves as being interested in improving their flocks by adopting better poultry raising practices as well as importing new poultry breeding stock.

IRAQ INTERESTED IN U. S. POULTRY BREEDING STOCK

It is reported that Iraq is a potential market of 70,000 to 100,000 of New Hampshire baby chicks. The program to establish a poultry industry in Northwestern Iraq, where climatic conditions are quite favorable, apparently will be delayed until it is decided whether it is economically feasible to establish feed mixing facilities to produce a balanced poultry ration.

WORLD BUTTER AND CHEESE PRODUCTION 1953 [1]

Butter

The 3-year downward trend in world butter production was reversed during 1953 with a 6.5 percent increase in production. Furthermore, with one exception, the increase was general. Only New Zealand showed a decrease; however, the decline was small and New Zealand had raised its production by more than 15 percent during the 3-year period in which world production was declining.

The largest percentage gain took place in North America where production was more than 14 percent over 1952. The United States increased its total production of butter by 16 percent while Canadian production rose 6 percent. Approximately 25 percent and 20 percent respectively of factory production in the United States and Canada found its way into Government ownership under the price support programs of the countries.

Europe, which produces more than two-fifths of the world's supply of butter, increased production almost 7 percent over 1952. The largest proportionate gain was registered in the United Kingdom which increased butter production by 53 percent; the entire increase of 18 million pounds was in creamery butter production.

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[1] A more extensive statement will soon be published as a Foreign Agriculture Circular available from the U. S. Department of Agriculture, Foreign Agricultural Service, Washington 25, D. C.

Substantial increases were also evident in Denmark and the Netherlands, two of the leading butter exporting countries, with respective gains of 12 and 13.7 percent over 1952. Belgium, like the United Kingdom a net importer of butter, increased production by 15 percent. Western Germany, which has shown a steady increase since the end of World War II, reached and passed its prewar level of butter production in 1953.

Production of butter in South America was almost 12 percent above 1952 with the entire increase being attributed to increased production in Argentina. A large part of the increase of 26 million pounds in Argentina production found its way into export channels as Argentina became a significant factor in world trade in butter.

Butter production in the exporting countries of Australia and New Zealand showed an increase of less than 2 percent, with a slight decline in production being registered in New Zealand. Production in Australia was up about 5 percent over 1952.

World butter production is still more than 11 percent under prewar figures. Of the primary exporting countries, only Sweden and New Zealand production are above prewar levels. Production in the Netherlands, Denmark and Australia is considerably under the average production for the years preceding World War II. Significant gains from prewar levels have been made in Argentina and the Union of South Africa where butter production is almost double that of prewar years.

Cheese

Of the major cheese producing countries for which comparable data are available, only 3 showed decreases in cheese production in 1953 as compared with 1952. Increased production was registered in all other countries accounting for an overall increase in 1953 of more than 8 percent over 1952. The estimated production figures include both farm and factory manufacture and cheese processed from skim milk and milk of buffalos, goats and sheep.

European countries which produce more than two-thirds of the world's supply of cheese, increased production 7.5 percent over 1952. The largest proportionate increase was made in the United Kingdom where production increased more than 60 percent with the total gain of 74 million pounds being attained by increased factory production. Of the major cheese exporting countries, the Netherlands showed the largest production increase, a gain of 11 percent over 1952. Italy and France, the largest producing countries and major exporters of cheese, both showed gains of over 5 percent. Only in Sweden, which is a net importer of cheese, and Norway did 1953 production decline from 1952 levels.

In North America cheese production during 1953 was more than 10 percent above 1952, with all reporting countries sharing about equally in the gain. The 128 million pound increase in production in the United States was less than one-half of the amount of the total production purchased by the Government under the price support program.

BUTTER: Factory production in specified countries and estimated world production with total production in specified countries, averages 1934-1938, 1946-50, annual 1949-1953.

Country and Product	Average 1934-38	Average 1946-50	1949	1950	1951	1952	1953
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Factory Butter							
Canada	1/ 255	278	279	261	257	281	302
United States	1,673	1,302	1,412	1,386	1,213	1,188	1,425
Cuba	1/ 4	3	3	3	3	2/ 3	2/ 4
Austria	-	3/ 41	44	38	33	43	45
Belgium	4/ 46	55	57	71	74	75	91
Denmark	401	319	344	395	371	340	381
Finland	5/ 69	6/ 61	65	76	88	100	106
France	2/ 220	-	-	-	-	-	-
Germany, Western	7/8/ 560	6/ 492	522	571	608	597	635
Greece	-	-	-	-	-	-	-
Ireland	7/ 89	69	77	83	73	74	79
Italy	-	-	-	-	-	-	-
Netherlands	9/ 230	156	185	205	184	161	183
Norway	24	20	24	25	25	23	28
Portugal	8/10/ 4	3	3	4	5	5	5
Sweden	153	216	216	239	234	206	216
Switzerland	-	-	-	-	-	-	-
United Kingdom	9/ 54	24	23	36	13	16	34
Argentina	66	101	86	100	95	102	128
Brazil 11/	4/ 51	45	48	54	45	58	2/ 61
Union of South Africa	12/ 28	45	47	60	66	61	2/ 67
Australia	8/ 415	354	378	379	314	333	350
New Zealand	8/ 367	346	394	372	410	435	432
Total	4,709	3,930	4,207	4,358	4,111	4,101	4,572
Total Butter (World estimate with total production in specified countries)							
Canada	1/ 348	331	335	291	286	306	325
United States	2,178	1,596	1,688	1,648	1,461	1,417	1,647
Cuba	1/ 4	3	3	3	3	2/ 3	2/ 4
Other North America	21	22	20	21	21	21	21
Total North America 13/	2,551	1,952	2,046	1,963	1,771	1,747	1,997
Austria	2/ 51	46	55	54	46	65	67
Belgium	4/ 156	128	143	163	169	168	193
Denmark	401	319	344	395	371	340	381
Finland	2/5/ 121	75	89	110	128	137	139
France	2/ 529	407	460	529	584	560	608
Germany, Western	7/8/ 681	6/ 544	540	595	659	668	710
Greece 14/	10/ 13	9	10	12	14	16	2/ 17
Ireland	7/ 149	115	121	124	110	110	115
Italy	111	106	117	128	134	128	130
Netherlands	9/ 239	156	185	205	184	161	183
Norway	51	34	40	42	38	35	41
Portugal	8/10/ 9	-	-	-	-	-	-
Sweden	190	227	223	245	240	212	221
Switzerland 15/	58	37	34	42	55	49	52
United Kingdom	9/ 101	41	40	54	30	34	52
Yugoslavia	24	-	-	-	2/ 24	2/ 20	2/ 24
Other Europe (incl.USSR)	1,269	707	664	753	747	733	729
Total Europe 13/	4,153	2,951	3,065	3,451	3,533	3,436	3,662
Argentina	66	101	86	100	95	102	128
Other South America	106	119	119	120	114	120	120
Total South America 13/	172	220	205	220	209	222	248
Union of South Africa	12/ 41	57	59	72	78	73	79
Other Africa	76	122	124	122	122	122	122
Total Africa 13/	117	179	183	194	200	195	201
Asia - Total 2/	1,773	1,600	1,603	1,609	1,640	1,609	1,609
Australia	8/ 437	365	389	390	325	344	361
New Zealand	8/ 379	359	407	385	423	448	445
Other Oceania	-	4	4	5	5	5	5
Total Oceania 13/	816	728	800	780	753	797	811
Estimated World Total 16/	9,600	7,630	7,900	8,220	8,110	8,010	8,530

1/ Average 1935-39. 2/ Estimated. 3/ Average 1949-50. 4/ Average 1936-38. 5/ Average 1936-39. 6/ Average 1948-50. 7/ Average 1935-38. 8/ Years ending June 30. 9/ For 1939. 10/ Average 1933-37. 11/ Production in Federally inspected plants only. 12/ Years ending August 31. 13/ Includes estimates for countries for which official statistics are unavailable. 14/ Made from the milk of cows, buffalos, sheep and goats. 15/ Made from the milk of cattle and goats. 16/ Includes product weight of ghee in those countries where ghee production is common, especially India, Turkey, Egypt and other Middle and Far-Eastern countries.

Foreign Agricultural Service. Prepared or estimated from official statistics, U. S. Foreign Service reports, and other information. - June 14, 1954

CHEESE: Production in specified countries, averages 1934-38, 1946-50
annual 1949-53

Country and Product	Average 1934-38	Average 1946-50	1949	1950	1951	1952	1953
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Factory Cheese							
Canada	1/ 120	118	121	103	94	74	81
United States	643	1,156	1,200	1,191	1,162	1,170	1,298
Cuba	2/3/ 3	2/ 6	2/ 5	2/ 6	2/ 5	2/ 5	2/ 6
Austria	-	14	17	22	20	23	29
Belgium	-	10	10	10	12	11	11
Denmark	69	125	140	134	171	190	192
Finland	4/ 23	18	26	32	36	43	48
France	-	-	-	-	-	-	-
Germany, Western	5/6/ 276	7/ 280	336	300	335	340	355
Greece	-	-	-	-	-	-	-
Ireland	-	-	-	-	-	-	-
Italy	-	-	-	-	-	-	-
Netherlands	2/ 200	177	238	236	266	278	313
Norway 8/	40	35	47	56	64	67	61
Portugal	3/ 1	3	4	3	3	3	4
Sweden	76	115	144	114	120	132	120
United Kingdom	9/ 72	65	69	118	93	116	190
Argentina	68	204	218	213	186	224	242
Brazil 10/	11/ 60	46	47	53	49	59	2/ 62
Uruguay	-	-	-	-	-	-	-
Union of South Africa	12/ 10	18	18	22	21	23	2/ 24
Australia	6/ 48	99	101	104	93	100	107
New Zealand	6/ 211	217	234	238	228	226	246
Total	1,919	2,689	2,954	2,930	2,935	3,058	3,356
Total Cheese							
Canada	1/ 121	119	122	104	95	75	82
United States	643	1,156	1,200	1,191	1,162	1,170	1,298
Cuba	2/ 6	2/ 11	2/ 10	2/ 11	2/ 10	2/ 10	2/ 11
Austria	13/ 69	16	19	29	27	27	33
Belgium	18	2/ 13	2/ 13	2/ 13	2/ 16	2/ 15	2/ 15
Denmark	69	125	140	134	171	190	192
Finland	2/4/ 25	18	26	32	36	43	48
France 14/	2/ 584	403	470	584	617	605	640
Germany, Western 15/	5/6/ 276	7/ 280	336	300	335	340	355
Greece 16/	17/ 129	85	83	95	110	126	2/ 135
Ireland	11/ 4	5	7	7	5	6	7
Italy 14/	524	491	556	613	2/ 613	684	721
Netherlands	267	212	282	280	309	320	350
Norway 8/	2/ 50	43	54	60	68	71	65
Portugal	2/3/ 13	-	-	-	-	-	-
Sweden	2/ 88	115	144	114	120	132	120
Switzerland 8/	112	107	119	124	113	123	2/ 131
United Kingdom	9/ 101	70	74	123	99	123	197
Argentina	68	204	218	213	186	224	242
Brazil	11/ 93	-	-	-	-	-	-
Uruguay	3/ 11	2/ 16	2/ 20	13	16	15	14
Union of South Africa	12/ 11	18	18	22	21	23	2/ 24
Australia	6/ 49	100	102	105	94	101	108
New Zealand	6/ 211	217	234	238	228	226	246
Total	3,529	3,824	4,247	4,405	4,451	4,644	5,034

1/ Average 1935-39. 2/ Estimated. 3/ For 1937. 4/ Average 1936-39. 5/ Average 1935-38. 6/ Years ending June 30. 7/ Average 1948-50. 8/ Made from the milk of cattle and goats. 9/ For 1939. 10/ Production in Federally inspected plants only. 11/ Average 1936-38. 12/ Years ending August 31. 13/ Average 1934-37. 14/ Made from the milk of cattle, sheep and goats. 15/ No estimate available on farm production. 16/ Made from the milk of cattle, buffalos, sheep and goats. 17/ Average 1933-37.

Foreign Agricultural Service. Prepared or estimated from official statistics, U. S. Foreign Service reports, and other information.- June 14, 1954.

Australia and New Zealand registered an increase of more than 8 percent over 1952 levels. Australia's gain was almost 7 percent while that of New Zealand was not quite 9 percent. The increased production in New Zealand reversed a slight but steady 3-year downward trend.

The 1953 production of more than 5 billion pounds in the specified countries is more than 42 percent above the prewar level. Only in Canada, Austria and Belgium was production less than the 1934-38 average for these countries. The United States, the largest cheese producing country in the world, has more than doubled its prewar production, Denmark has almost tripled its 1934-38 average production. France, the second largest producing country, has steadily rebuilt its cheese industry and in 1953 was producing almost 10 percent more cheese than during prewar.

Despite somewhat adverse spring weather conditions, milk production in 1954 is estimated at a rate above 1953 levels. With the consumption of fluid milk only keeping pace with, or maybe even lagging behind, the increase in population, most of the increased milk production is expected to find its way into manufacture, particularly of butter and cheese.

This is one of a series of regularly scheduled reports on world agricultural production approved by the Foreign Agricultural Service Committee on Foreign Crop and Livestock Statistics. It is based in part upon U. S. Foreign Service reports.

UGANDA INCREASES COTTON PRODUCTION

Latest official estimate of the 1953-54 cotton crop in Uganda places this year's production at 325,000 bales (of 500 pounds gross), according to C. K. Bevilacqua, American Consulate General, Nairobi. This is considerably below previous estimates, but is 22 percent higher than the 1952-53 production of 267,000 bales.

Producers have been guaranteed a price of 47 Uganda cents (6.58 U. S. cents) per pound of seed cotton for the 1954-55 season. Last year the preliminary guarantee of 45 cents was raised to 50 cents before the end of the season. If current market conditions are maintained, producers can expect as much or more in the coming crop year. The bonus paid to African local governments for seed cotton produced in their respective areas remain at 1.5 shillings (21 U.S. cents) per 100 pounds of seed cotton. (100 Uganda cents = 1 shilling = approximately $0.14 U.S.)

Officials are urging an increase in production this coming year and hope to break the 1937-38 record of 348,000 bales.

RECORD COTTON CONSUMPTION IN FRANCE

Cotton consumption in France during March 1954 reached a record high of 129,000 bales (of 500 pounds gross), according to J. E. Charlot, American Embassy, Paris. The total consumption of 894,000 bales for the season August 1953-March 1954 was 17 percent ahead of last year's figure of 767,000 bales. United States cotton has accounted for 37 percent of this year's consumption, with Egyptian cotton at 19 percent, Turkish and Syrian 16 percent, French Colony 13, Indian and Pakistani 8, Argentine and Brazilian 5.

Spindle activity was reported at 6.6 million, out of 7.7 million spindles in place, and active twisters were .6 million out of .8 million in place.

Total stocks of cotton on March 31, 1954, were 346,000 bales or about 17 percent higher than on the same date of 1953, and slightly higher than the 340,000 bales on hand August 1, 1953. Stocks of United States cotton however, were disproportionately lower, amounting to only 29 percent of this year's total, as compared with 54 percent of the total on March 31, 1953.

March imports were 170,000 bales, the highest monthly figure within several recent years. Total imports for August 1953-March 1954 were 917,000 bales or 63 percent more than imports of 563,000 bales during the corresponding period of the previous year. Major sources of this year's cotton are: United States 278,000 bales; Turkey, Uganda, Iran, and Syria 187,000; Egypt 165,000; French Colonies 114,000; Brazil and Argentina 80,000; and India and Pakistan 72,000.

FRANCE: Imports of cotton from major countries of origin; average 1935-39; annual 1950-52; August-March 1952-53 and 1953-54
(Equivalent bales of 500 pounds gross)

Country of origin	Year beginning August 1					
	Average 1935-39	1950	1951	1952	August-March 1952-53	August-March 1953-54
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Brazil and Argentina	1/ 90	112	84	8	7	80
East Equatorial Africa	22	2/	2/	2/	2/	2/
Egypt	243	109	129	301	149	165
French Colonies	36	127	151	152	98	114
India and Pakistan	3/ 194	99	70	92	37	72
Mexico	2/	29	201	9	8	2
Peru	4/ 9	10	50	5/ 37	5/ 24	5/ 19
Turkey	2/	6/ 68	7/ 168	7/ 142	7/ 70	7/ 187
United States	669	469	353	523	164	278
Other countries	27	0	0	20	6	0
Total	1,290	1,023	1,206	1,284	563	917

1/ Brazil. 2/ If any, included in other countries.
3/ British India. 4/ Four-year average.
5/ Peru and Paraguay. 6/ Turkey and Uganda 7/ Turkey, Uganda, Iran, and Syria.

Source: U.S. Foreign Service Reports

JAPAN INCREASES COTTON IMPORTS FROM U.S.

Continuing the high level of recent months, cotton imports by Japan during March 1954 amounted to 209,000 bales (of 500 pounds gross) nearly half of which came from the United States, according to a report by L. E. Gleeck and S. Kondo, American Consulate General, Kobe, Japan. This marked increase in March nearly doubles the rate of imports from the United States in earlier months of the current year, and is accompanied by declines in imports from Mexico and Pakistan since December, and moderate increases in arrivals from Egypt and Iran.

Total imports for the 8-month period August 1953-March 1954 were 1,553,000 bales, as compared with 1,385,000 for the corresponding period of 1952-53. Continuation of the current monthly average of nearly 200,000 bales will result in a yearly total of 2,400,000 bales, the highest attained since the war. United States cotton accounts for 33 percent of the August-March total, Mexican for 25 percent, Pakistani for 15.

JAPAN: Imports of cotton by major countries of origin;
average 1935-39; annual 1950-52;
August-March 1952-53 and 1953-54

(Equivalent bales of 500 pounds gross)

Country of origin	Year beginning August 1					
	Average	1950	1951	1952	August-March	
	1935-39				1952-53	1953-54
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Argentina	1/	59.4	2.9	46.1	13.3	74.8
Brazil	202.5	78.2	45.3	29.9	29.9	105.7
British East Africa	66.1	9.7	22.5	29.6	21.5	7.1
Burma	1/	15.9	22.6	46.6	26.5	32.0
Egypt	139.7	59.2	42.4	84.6	41.8	67.0
India	1,250.5	38.2	47.0	171.8	132.7	43.7
Mexico	1/	234.7	147.6	503.2	379.5	380.7
Pakistan	2/	379.6	233.3	439.0	250.4	235.3
Paraguay	1/	15.6	0	11.1	10.9	1.7
Peru	1/	9.1	6.5	20.0	17.3	9.7
Sudan	1/	3.5	0.1	12.4	11.0	1.0
United States	1,126.6	992.2	1,063.8	625.1	433.3	512.6
Other countries	2/ 391.2	56.9	6.7	35.8	16.6	4/ 81.3
Total	3,176.6	1,952.2	1,640.7	2,055.2	1,384.7	1,552.6

1/ If any, included in Other countries.
2/ China 232.1
3/ Turkey 24.0, Nicaragua. 7.0 4/ Turkey 24.0, Iran 37.0

Source: Cotton Statistical Journal and International Cotton Advisory Committee.

The 131 firms with membership in the All Japan Cotton Spinners' Association had 7,755,000 operable spindles on March 31, 1954, with 7,272,000 reported in operation in March. The ratio of actually operated to operable spindles dropped from 97 percent in February to 94 percent in March. Weaving capacity for March was reported at 333,000 operable looms with 287,000 in actual operation, making an operation ratio of 86.4 percent.

With the majority of Japanese cotton spinners closing their 1953-54 accounting year on April 30, 1954, plans are underway for continuation of the recovery shown by the textile industry thus far. Production of yarns and fabrics increased steadily over the 12-month period beginning May 1953. Yarn output rose sharply in June 1953, when production cutbacks which had been in effect about a year were lifted. Since June, production has continued its upward tendency. The 1953 per capita rate for domestic consumption of cotton goods was 7.32 pounds, an improvement over the 1952 rate of 6.63 pounds, but below the prewar average of 8.04 pounds.

Exports of cotton fabric for the calendar year 1953 were 913,988,000 square yards, the monthly average 76,166,000 square yards. Exports during each of the first 4 months of 1954 were consistently above this 1953 monthly average. Factors affecting the improvement in exports include production of higher count yarns (monthly averages range from 26.9 in May 1953 to 29.1 in March 1954) and an increase in the production of dyed and printed fabrics to accomodate shifts in international demand from grey goods to finished goods. Significant reductions in manufacturing costs since 1952 have also been reported.

Raw cotton prices in Japan are world prices plus charges for insurance, freight, and agent's commission. Prices of principal growths of cotton received in Japan are shown below:

C.I.F. Japan raw cotton quotations
(May 13, 1954)

		U.S. cents a pound
Pakistan NTRG		35.33
Egyptian Ashmouni FG	1/	51.00
Mexican Mid. 1-1/16"	2/	39.52
U.S. Mid. 15/16"		39.01

1/ Cost and insurance.
2/ New crop, August-September shipment.

SWITZERLAND'S 1954 FATS AND OILS IMPORTS EXPECTED NEAR 1953 LEVEL

Switzerland's imports of fats, oils and oilseeds in 1954 are expected to approximate those of 1953, except for butter, reports Clyde L. Clark, American Consulate General, Zurich. Importers hesitate to make any definite forecasts, but on the whole they expect lower prices and stiffer foreign competition for the Swiss market. It is likely that the price factor alone will determine sources of supply, especially for industrial oils and fats.

Imports of edible oils and fats in 1953 totaled 16,550 short tons, an increase of 3,337 tons from 1952, despite a decrease in butter imports. Oleomargarine and tallow--3,479 tons, peanut oil--5,741 tons, and "other" edible oils--5,327 tons, were the principal purchases. Imports from the United States included 349 tons of lard, 1,810 tons of oleomargarine and tallow, and 397 tons of cooking fats.

Imports of industrial oils and fats increased by 3,753 tons to 24,967 tons. Major receipts included linseed oil from Uruguay--7,680 tons, olive oil from Germany, Denmark and the United States--4,652 tons, and tallow and bone fat from the United States--6,586 tons.

Oilseeds imports for crushing totaled 79,486 tons, an increase of 4,902 tons from 1952. China was a large supplier last year with 93 percent of the 29,747 tons of peanuts imported, 4,609 tons of sesame, and 3,017 tons of the 11,967 tons of flaxseed imported. Copra imports dropped to 29,119 tons, mainly from the Philippines.

Production of oilseeds in Switzerland consists almost entirely of rapeseed. In 1953 the rapeseed crop yielded about 2,860 tons of oil. The cost of producing domestic rapeseed oil averages about 3 francs per kilogram (31 cents per pound). As No. 1 peanut oil retails at approximately the same price, the Government's guaranteed price to producers of 110 francs per 100 kilograms of rapeseed ($230 per short ton) amounts to a subsidy. The Government's long-term policy is to increase the area under rapeseed to about 11,000 acres, as compared with 6,350 acres in 1953.

Production of edible oils and fats from all sources in 1953 totaled slightly more than 70,000 tons and total edible supplies, including net imports, was 91,500 tons. Consumption of nonedible fats and oils remains stable and ranges between 36,000 and 38,500 tons each year. Of the total, about 16,500 tons is used by the soap industry, about 16,500 tons by the paint and varnish industry, and 3,300 to 5,500 tons by the chemical and pharmaceutical industry.

Retail prices for some oils and fats at the end of 1953 were: coconut oil--2.99 francs per kilogram (31 cents per pound); peanut oil--3.10 francs per liter (36 cents); cooking butter--8.97 francs per kilogram (93 cents); and domestic lard--2.80 francs per kilogram (29 cents). The wholesale price for copra fell from 110 francs per 100 kilograms ($230 per short ton) in February 1954 to 102 francs ($213) in March, but this is still far above the March 1952 level of 80 francs ($167). The wholesale price of peanuts in March, however, remained firm at about the December 1953 level of 113 francs per 100 kilograms ($103 per short ton).

INDIA'S RAPE AND MUSTARD ACREAGE UP SLIGHTLY

India's 1953-54 acreage to rape and mustard seed is placed at 2,084,000 acres, according to the second official estimate. This represents a 2 percent increase from the adjusted second estimate of 2,044,000 acres for the 1952-53 season. The increase occurred mainly in Punjab, West Bengal, Bihar and Bombay States and is due to favorable weather at sowing time. This increase, however, has been offset considerably by the decreases reported by Patiala and East Punjab States Union (P.E.P.S.U.), Uttar Pradesh and Rajasthan due to lack of moisture at the time of sowing.

This estimate relates to the area sown exclusively to rape and mustard seed. Data regarding mixed-sown areas are given in the final estimate. Past experience has shown that the area reported in the second estimate represents roughly 40 percent of the acreage under the crop as reported finally.

WHALE AND SPERM OIL OUTPUT TO BE UP IN 1954

World production of whale and sperm oils during 1953-54 is forecast at 455,000 and 60,000 short tons, respectively, as compared with 420,000 and 55,000 tons in 1952-53, according to information available to the Foreign Agricultural Service. The increase in both of these oils is due mainly to larger returns from Antarctic pelagic (open sea) operations.

Antarctic production of both whale and sperm oil in the recent 1953-54 whaling season was around 392,000 tons, according to provisional data, or 5 percent larger than the corresponding outturn of the preceding season. Whale oil output increased by 4 percent to 366,793 tons and sperm oil by 19 percent to 25,369 tons. The larger production of whale oil can be attributed to the fact that in the past season the catch of baleen whales closely approximated the permissible catch-limit of 15,500 blue-whale units (established by international agreement), while in 1952-53 the total catch amounted to only 14,855 units, or considerably short of the 16,000-unit quota allowed. (See Foreign Crops and Markets of March 29, 1954, page 271.) Since no maximum quota has been established for the catch of sperm whales, the increased output of sperm oil in 1953-54 was due largely to a more favorable price and demand situation than that which prevailed during the previous season.

There were 17 expeditions operating in the 1953-54 Antarctic season, or one more than in 1952-53. Norway, with 9 factory ships, was again the leading producer of whale oil followed by the United Kingdom, Japan, the Soviet Union, the Union of South Africa and the Netherlands.

WHALE AND SPERM OIL: Antarctic pelagic production, final 1952-53, and provisional 1953-54

(Short tons)

Country and expedition	Whale oil		Sperm oil		Total	
	1952-53	1953-54	1952-53	1953-54	1952-53	1953-54
NORWAY						
Kosmos III	-	19,460	-	597	-	20,057
Kosmos IV	31,803	27,208	1,055	101	32,858	27,309
Norhval	21,609	21,410	568	2,204	22,177	23,614
Sir James Clark Ross	18,446	18,051	-	-	18,446	18,051
Pelagos	14,894	18,821	30	849	14,924	19,670
Suderoy	10,072	9,987	41	9	10,113	9,996
Thorshammer	15,137	15,168	1,200	466	16,337	15,634
Thorshovet	26,265	22,746	2,231	851	28,496	23,597
Thorshovdi	-	20,576	-	735	-	21,311
Sub-total	138,226	173,427	5,125	5,812	143,351	179,239
UNITED KINGDOM						
Balaena	28,514	28,280	2,296	3,883	30,810	32,163
Southern Harvester	26,793	21,698	2,183	2,008	28,976	23,706
Southern Venturer	18,316	29,103	5,751	3,008	24,067	32,111
Sub-total	73,623	79,081	10,230	8,899	83,853	87,980
JAPAN						
Nisshin Maru	23,059	24,651	1,163	2,745	24,222	27,396
Tonan Maru	14,384	16,569	96	3,201	14,480	19,770
Sub-total	37,443	41,220	1,259	5,946	38,702	47,166
UNION OF SOUTH AFRICA						
Abraham Larsen	26,299	25,929	1,786	1,557	28,085	27,486
THE NETHERLANDS						
Willem Barendsz	19,001	16,919	358	1,299	19,359	18,218
U.S.S.R.						
Slava	28,201	30,217	782	1,856	28,983	32,073
PANAMA						
Olympic Challenger	28,924	-	1,717	-	30,641	-
Grand total 1/	351,717	366,793	21,257	25,369	372,974	392,162

1/ Does not include production of South Georgia shore-stations. In 1952-53 this production included 21,161 tons of whale oil and 1,239 tons of sperm oil.

Source: The Norwegian Whaling Gazette.

Antarctic production of whale oil, including that which is produced by 3 South Georgia shore-stations, usually accounts for around 90 percent of the world supply. Output of whale oil by the South Georgia stations in 1953-54 is believed to have increased by as much as 75 percent from the 21,161 tons produced in 1952-53. It is expected that this year's production of whale oil from the numerous shore-stations operating in scattered parts of the world will be at least as large as in 1952-53 when some 46,000 tons were produced.

Sperm oil production during 1953-54 from Antarctic operations amounted to about 27,000 tons against 22,500 tons in 1952-53. Production from other areas of the world can only be roughly estimated as data regarding normally extensive North Pacific sperm whaling by the Soviet Union are not yet available for 1953. In the 3 years 1950-52 Soviet Union output of sperm oil from this area averaged about 12,000 tons, according to reports.

As of April 2, the entire pelagic production of whale oil had been sold at prices ranging from Ł67-10-0 to Ł81-10-0 per long ton ($169-$204 per short ton). At that time only the Argentine South Georgia land-station outturn, estimated to be around 11,000 tons, was still unsold. In addition there was a carry-over from the 1952-53 Antarctic season of about 17,000 tons which was in storage in the Netherlands. The forthcoming Australian summer production (in 1953 Australia produced 19,100 tons of whale oil) has been sold in advance at prices between Ł72-10-0 to Ł86-0-0 per long ton ($181-$215). It is reported, also, that a large part of other summer production, including that of Norway and Iceland, has been contracted for at similar prices.

CANADA'S FLAXSEED ACREAGE EXPECTED TO INCREASE 50 PERCENT

Flaxseed planting intentions of Canadian farmers as of April 30 were placed at 1,483,800 acres, according to the Dominion Bureau of Statistics, Ottawa. This is 53 percent above last season's 972,000 acres. Substantial increases are indicated for all flax-producing provinces except Ontario. Most of the gain is attributed to expected increases in the Prairie Provinces. Last year's acreage with a per-unit yield of 10.2 bushels produced a crop of 9,912,000 bushels (revised).

CEYLON'S COPRA, COCONUT OIL EXPORTS DOWN ALMOST ONE-THIRD

Ceylon's exports of copra and coconut oil during the first quarter of 1954 aggregated 31,848 long tons in terms of copra or almost one-third less than the 46,319 tons exported in the comparable period of 1953, reports R. F. Ponniah, American Embassy, Colombo. The decline is explained by the fact that adverse weather in the summer of 1953 resulted in low coconut production.

While copra exports as such almost doubled the first-quarter tonnage of 1953--4,972 tons compared with 2,492--coconut oil shipments dropped by 39 percent or from 27,611 to 16,932 tons.

The increase in copra exports was due to larger purchases by India and Pakistan. India took 4,367 tons against 2,421 during January-March 1953, whereas Pakistan purchased 545 tons against only 23 tons in 1953.

CEYLON: Copra and coconut oil exports, average 1935-39, annual 1952-53 and January-March 1953-54

(Long tons)

Country	Copra					Coconut oil				
	Average 1935-39	1952	1953 [1]	January-March [1] 1953	January-March [1] 1954	Average 1935-39	1952	1953 [1]	January-March [1] 1953	January-March [1] 1954
Canada	-	-	-	-	-	8,523	2,396	14,884	5,087	2,319
West Indies	-	-	-	-	-	881	-	-	-	-
Denmark	1,605	-	-	-	-	35	-	-	-	-
France	354	-	-	-	-	347	194	-	-	-
Western Germany	1,482	150	-	-	-	1,200	6,850	7,492	3,438	447
Greece	1,526	-	-	-	-	120	-	-	-	-
Italy	6,541	300	-	-	-	1,724	19,834	17,648	4,706	3,908
Netherlands	-	200	-	-	-	-	16,073	26,427	9,973	3,120
Sweden	-	800	-	-	-	3,573	1,820	-	-	1,994
Switzerland	-	-	[2]	-	-	84	267	134	84	-
United Kingdom	420	-	-	-	-	14,160	28,610	2,787	343	635
Other Europe	4,573	1,804	-	-	-	5,913	1,515	[3] 4,074	[3] 232	20
China	-	-	-	-	-	[2]	-	6,427	200	500
Cyprus	-	-	-	-	-	146	228	22	-	25
India	42,553	14,985	18,628	2,421	4,367	10,769	9,073	8,912	2,175	2,557
Iraq	20	134	134	10	10	315	1,034	666	105	-
Pakistan	-	22,132	2,200	23	545	-	11,783	780	265	120
Israel	-	-	150	-	-	15	278	7	-	18
Syria	60	-	100	-	-	164	197	-	-	50
Other Asia	360	226	178	38	50	2,406	2,105	1,908	509	751
Egypt	425	-	-	-	-	2,433	3,011	150	-	35
Union of South Africa	-	-	-	-	-	2,597	250	54	14	11
Other countries	8	-	-	-	-	3,608	1,194	1,196	480	422
Total	59,927	40,731	21,390	2,492	4,972	59,013	106,712	93,568	27,611	16,932

[1] Preliminary. [2] Less than .5 ton. [3] All to Belgium.

American Embassy, Colombo.

Italy was the most important market for coconut oil but purchases were down to 3,908 tons compared with 4,706 a year earlier. Canada and the Netherlands, which were the major buyers of coconut oil during the first quarter of 1953 taking 5,087 and 9,973 tons, respectively, purchased only 2,319 and 3,120 tons in the quarter under review. And Western Germany's purchases dropped from 3,438 to 447 tons. Exports of coconut oil to China amounted to 500 tons compared with 200 in first-quarter 1953 when China first entered the market for Ceylonese coconut oil.

Exports of desiccated coconut from Ceylon during January-March 1954 totaled 8,435 tons against 9,850 tons in the comparable period of 1953. The United Kingdom maintained its position as the principal buyer taking 3,878 tons. Other major purchasers were Western Germany, the Netherlands, Australia and Canada.

The prices of coconut products in the Colombo market at the beginning of the quarter were considerably higher than during the previous quarter owing to short supply and increased demand for coconut oil in world markets. During February prices declined because of increased supply from Malaya and the Philippines, but were still favorable. In March, however, prices fell and remained low registering the lowest for the quarter on March 31. The availability of large supplies of substitute fats and oils in world markets is believed responsible for the depression in the local market.

Wholesale prices on March 31 were as follows: copra, 175 rupees per candy ($147 per long ton); coconut oil, 1,065 rupees perlong ton (10.0 cents per pound); and desiccated coconut, 0.45 repees (9.5 cents) per pound. Around mid-May, quotations were: copra, 170-180 rupees ($143-$152); coconut oil, 1,100-1,150 rupees (10.3-10.8 cents); and desiccated coconut, 42-45 rupees (8.8-9.5 cents). The rise in the price of coconut oil, believed to be temporary and local, has been attributed to Chinese purchases.

Local prices have been unsteady due to the threat of a release of large stocks of fats and oils by the United Kingdom and the United States. According to leading members of the coconut trade, outlook for a year is dependent upon the European market, which at present is depressed. If the present world situation continues, the local outlook will not be very favorable. The reported proposal by Pakistan to reduce the import duty to 30 percent on coconut products probably will stimulate exports to that country.

Stocks on hand are very low owing to competitive buying by both producers of coconut oil and desiccated coconut to fill orders already made by buyers.

THE NETHERLANDS INCREASES EXPORTS OF MARGARINE TO RUMANIA

Exports of margarine from the Netherlands to Rumania are expected to increase in 1954, according to information available to the Foreign Agricultural Service.

Expectations are that close to 2,200 short tons of average-quality margarine will be shipped to that country in calendar 1954, a substantial increase from the 1,650 tons exported there in 1953. In the January-April period of this year more than 1,100 tons of the margarine was sent to Rumania.

There are no assurances that the Dutch trade in margarine with Rumania will continue inasmuch as the Rumanians prefer butter. However, butter from West European sources is presently in limited supply.

Payment for the Dutch margarine is made in pound sterling. Dutch exports of margarine in 1953 totaled only 1,650 tons, which went entirely to Rumania. And in 1952 about 1,760 tons were exported to Poland under barter trade.

LATE NEWS

(Continued from Page 546)

The Greek Government, as of June 2, has authorized the unrestricted import of cotton regardless of origin. Dollars will be available for this purpose at the rate of 26 drachmas per dollar instead of the official rate of 30 drachmas. The maximum expected import under this authority is about 1,500 metric tons or 6,900 bales of 500 pounds gross.

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